

DISCRIMINATION BY RAILROADS.

PROCEEDINGS

OF THE

FARMERS' INSTITUTE AND GENERAL FARMERS' CONVENTION,

Lock Haven, Clinton County, Penn'a,

JANUARY 21, 1886.

Governor ROBERT E. PATTISON, being introduced, said:—

The most important economic question presenting itself for decision to-day is the prevention of discrimination by common carriers. It is by no means a new question, and it is more prominent now than at any past period, simply because its evils, with the growth of years, have increased so enormously that they can no longer be hidden or denied. But anti-discrimination is the most important economic problem of the day, for the reason that its evils are the most wide-spread, and afflict the masses of citizens least able to bear or resist its injury, namely, the consuming and small-producing class. In this latter, I include farmers, the most numerous body of producers in the country. Another and a principal reason why this question ranks as the first demanding solution is, that it has been and is the parent of a long line of evils that, but for it, would hardly be possible. The immediate wrong of railroad discrimination is as nothing compared with the social business and industrial inequalities it has created and fostered. Itself a result of monopoly, it has, by a natural inevitable law, engendered monopoly. Indeed, discrimination might, with perfect accuracy, be defined as the unlawful act of a monopoly, whereby it creates and protects other monopolies. Or, by analogy, it might, with equal truth, be termed a railroad tariff protection—an act of discrimination by which one producer is charged a greater rate of freight than another, in order that he cannot sell cheaper than the other, (as, if they were on a perfect equality, he might,) is the principle of tariff protection carried into freight charges—with this difference, that, in one instance, the discrimination is by the Government and against an alien, and in the other by private, selfish, and irresponsible speculators, and against a citizen entitled by law to equal treatment with every other citizen. Discrimination benefits the few at the expense of the many; it enriches organized capital

and large producers to the impoverishment of private capital and small producers; it fosters corporate speculation to the destruction of individual enterprise; it builds up great fortunes in a few, and reduces to the ranks of dependent laborers masses of men that would otherwise enjoy the fruits of their industry in enterprises of their own. One need not travel outside of Pennsylvania to find illustrations for all these evils. Pennsylvania has been an especial sufferer from all these injuries. Railroad discrimination built up and established the Standard Oil monopoly, by which a source of natural wealth, illimitable and marvellous, was entirely deflected from our State. ^{Who} Thousands of citizens were bankrupted, and individual enterprise was driven from the oil regions. But for discrimination, the Standard Oil Company would not be in existence to-day. ~~We~~ We shall estimate the wide-spread evil this single creature of discrimination has caused.^e Not alone has it taken the oil industry from Pennsylvania and private enterprise, but it has taxed the consumers of the country for its benefit, has debauched Legislatures, has corrupted the avenues of justice, has mocked the law, and is stretching out its arms in every direction to monopolize other sources of wealth and means of supply. Discrimination has made Philadelphia, at one time the first commercial city in the Union, and still with the highest manufacturing resources, little more than a mere annex to New York. Those great beds of anthracite coal which seem to have been reserved by nature to make Philadelphia one of the chief industrial and manufacturing marts of the world, have, through discrimination, been made to burden her citizens and retard her development. Discrimination has built up here and there, throughout the State and country, along the lines of railroads, populous towns that are the seats of enormous iron, steel, and other works, that have enriched their owners and interested railroad officials, but have peopled those cities with a mass of dependent laborers who live from hand to mouth, who are thrown out of work at the will of their employers, and who can hope for nothing but the merest necessities of life in their existing social condition. Railroad discrimination has given to the New Republic a line of princely railroad nabobs and lords of the soil, with fortunes that out-rank royalty, and domains of virgin soil that exceed in area a German State. But it has given us, too, in little more than a generation, a mass of restless and discontented laborers, often eating the bread of idleness, and clamoring for concessions from a few great employers. It has reduced the owners of farms in number until they are a million less than the tenant farmers, and everywhere it has tended to centralize wealth and increase the ranks of dependent labor. It may be said that many of these evils resulted from other causes than discrimination, and that it alone should not be charged with faults that are the outgrowth of many causes. This, however, is taking but a superficial view of the subject. My position is that had railroad corporations acted

as the just public trustees, which in law they are, and not as private enterprises managed by selfish speculators—had they used their franchises fairly, justly, and impartially—had they confined themselves to their duties as common carriers—had they obeyed the laws and not corrupted Legislatures, judges, and Executives to enable them to defy the laws—the greater part of the evils that I have enumerated would not now exist.

It is unnecessary, however, at this day, to prove that discrimination is an evil. That it is, is admitted by every one but those who profit by it. The question is as to what is its proper remedy. The number of those who defend or excuse it is so small as to be unworthy of consideration. The times are ripe for redress and correction. But what will work the redress—what will correct the evil? There are those who say that the true remedy is more railroads. Competition, they say, will put a stop to monopoly; therefore, give us more railroads. This argument, applied to railroad injustice, has recently, in the State, been put to a severe test. In the hope that by the application of this doctrine Pennsylvania might get some relief from the monopoly of her great trunk line and its continued injustice, I was induced, in 1883, to sign the bills which made possible the construction of the South Pennsylvania railroad, which, it was said, would give our citizens another western and seaboard outlet. A partial result of the experiment is known to the world to-day. The people of our southern tier of counties particularly have learned a bitter disappointment—the hollowness of the promises of organized capital to redress the wrongs of another organized capital. The South Pennsylvania railroad is, to-day, claimed as the property of the corporation of which it was projected to be the rival. Against law and justice, in the face of plighted faith and popular protest, an effort was made to sell it out,—to strengthen and establish the power for evil of the vast corporation that had so far proved itself stronger than courts or Executives, Constitutions or the people. It will soon be ascertained whether its lawless supremacy is to be perpetual. The opinions of the Dauphin county court, recently filed in the railroad cases, are full of encouragement to the people if they do but appreciate them. They strengthen greatly the efforts of those who are laboring for the supremacy and enforcement of the Constitution. They are robust and masculine in tone and in the treatment of the great subject to which they relate. They are singularly free from the ~~fitness~~ of mere lawyer minds, and are wonderfully strong, because of their frankness, simplicity, and directness. The failure thus far, however, of that attempt to correct railroad discrimination, by the erection of another road, has gone far to prove the hopelessness of the people ever deriving any relief from such means: It has proven that corporate capital is everywhere alike, animated by the same purposes, controlled by the same influences.

Though corporations may, for a time and for selfish purposes,

resist the iniquities of each other, it is only for so long as it is necessary to strengthen each other for great ~~er~~ public wrongs; and then they make common cause, and join hands against the people. "Set a thief to catch a thief" does not apply to corporations. You only set loose two thieves instead of one to prey upon the public. I am convinced, after long reflection, that there is only one sure remedy left for the people of Pennsylvania, and that is to enforce the existing laws of the State by penal statutes. It must be made a crime, punishable by the imprisonment of the officials, for railroad officials to break the law. Since all other efforts have failed, I am now for trying the efficacy of the prison law. And why not? You would punish a county official who stole your taxes, by putting him in prison. You would send to the penitentiary the private trustee who corruptly profited by his trust. And why shall not the public trustees of railroad corporations be jailed for robbing the citizen and oppressing the community corruptly? There is no trouble at all about the laws so far as they declare the rights and duties of the people and the railroads. The seventeenth article of the Constitution needs no addition or amendment. It is sufficient in all its parts to correct every evil of railroads from which the people now suffer, if it be enforced. It is just, true, lawful. It is legally and equitably sound in every member. It simply needs honest legislators to pass the laws to enforce it and pure judges to interpret those laws. Let the next Legislature pass a statute simply making it a penal offense, punishable by imprisonment, to violate the provisions of the seventeenth article, and let a jury of honest men pass upon the fact whether that article has been violated under the instruction of unsubsidized judges, and from that day we will have law-obedient railroad corporations in Pennsylvania. It is useless to listen to the sophistry of paid railroad attorneys, either in the Legislature or out of it, about the difficulty of drafting a penal statute based upon the seventeenth article. There is scarcely a section of that article that is not sufficiently descriptive for a penal statute. Leave it to a jury to say whether the South Pennsylvania and the Pennsylvania railroad were parallel and competing lines, and twelve honest men would convict the conspirators who concocted the "sell out," without leaving the box, and an upright judge would send them to the penitentiary before the court adjourned. What difficulty is there about a jury finding whether a pass given to a legislator or a judge, and for which he gives no tangible return, is a free pass or not? Where is the trouble about a jury finding whether mining coal is the business of common carrying? And so of all the sections of the seventeenth article. Merely attach the penal clause to each of them, and leave the rest to a jury and an honest court. At least let us try this just for a while. Honest men, honest railroad officials, would not fear such laws; and as for dishonest ones, we simply want that there shall be some laws they will fear.